The American Recovery and Reinvestment Act (ARRA) Creating Jobs, Supporting the States and Investing in Our Country's Future

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Introduction:

At the beginning of 2009, the United States was facing its deepest economic crisis since the Great Depression, one that called for swift, bold action. The President and Congress met this challenge by enacting the American Recovery and Reinvestment Act. The goals of this legislation were to strengthen the economy in the short term and invest in our country's future.

February 17, 2011 marked the second year anniversary of the enactment of the American Recovery and Reinvestment Act. The evidence is clear – and continues to grow by the day – that the Recovery Act is working to cushion the greatest economic crisis since the Great Depression and lay a new foundation for economic growth.

| Public and private forecasters ranging from the Council of Economic Advisors to Moody's Economy say the Recovery Act is responsible for over 2 million jobs nationwide, and the non-partisan Congressional Budget Office says that number could be as high as 3.3 million. Before the Recovery Act, the economy was shrinking by about 6 percent per year. In the first quarter of 2011, the economy grew at an annual rate of 1.8 percent – the seventh straight quarter of GDP growth. In fact, the Congressional Budget Office says the Recovery Act is responsible for expanding our economy by as much as 4.5 percent per year. This economic progress coincides with the recent National Bureau of Economic Research announcement that the recession officially ended in June of 2009. |
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| And while I will not be satisfied until we begin to see sustained net job growth, job losses today are a fraction of what they were a year ago before the Recovery Act began. |
| How ARRA is helping our community: |
| In 2009 and 2010, ARRA helped state and local governments meet their budget shortfalls in order to prevent deep cuts in basic services such as health, education, and law enforcement; cut taxes for working families; and invested in the long-term health of our economy. |
| In our area, the City of Campbell's 2009 Budget Report noted that "The Federal American Recovery and Reinvestment Act (ARRA) has been instrumental in providing direct stimulus funding to cities and other government jurisdictions to assist in their economic recovery efforts. |

| Consequently, the City will be able to fund several public works projects as a result of receiving these funds." San Jose Mayor Chuck Reed highlighted to me the importance of ARRA funding to the city, particularly helping with the city's Green Vision and efforts to promote a clean tech industry in Silicon Valley. |
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| ARRA funding has flowed into a variety of projects in the 15 th District, including: flood protection construction on Lower Silver Creek, various renewable energy and energy efficiency projects in cities throughout the district, renovations to the Bascom Health Center, hiring of police officers in Gilroy, rehabilitating public housing sites through the Housing Authority of Santa Clara County, implementing optometry services at Gardner South County Health Center, and work on the South Bay Salt Pond Restoration Project. |
| Click here for a longer list of projects in the 15th District that received ARRA funding and more information about those projects. You can also find information about projects funded through ARRA and progress on ARRA implementation at www.recovery.gov. |
| Many aspects of ARRA have already taken effect: |
| Tax Relief: Provided over \$100 billion in tax relief for American businesses and families, including the Making Work Pay Tax Credit which cut taxes for 95 percent of working families – that's \$37 billion in tax relief for 110 million families in 2009. |

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Aid to States, Small Business: Provided critical relief for state governments facing record budget shortfalls and small businesses dealing with limited access to capital, including more than \$50 billion to help prevent cuts to Medicaid programs across the country, nearly \$60 billion in funding for education – a move that governors say funded over 300,000 education jobs in the fourth quarter of 2009, and nearly 70,000 small business loans that provided nearly \$30 billion in much-needed capital.

Projects: Funded over 75,000 projects nationwide that are not only creating jobs up-front, but laying a long-term foundation for economic growth, including: over 14,00 transportation construction projects nationwide, ranging from highway construction to airport improvement projects; 70 advanced battery and electric drive projects in 30 states worth over \$2.4 billion to help power the next generation of advanced vehicles; and projects in 31 states to help lay a foundation for a high speed rail network here in the U.S. - including down-payments on 13 new, large-scale high-speed rail corridors across the country with the largest portion to California.

The benefits of ARRA will continue

The Recovery Act was designed to spend money gradually over time in order to sustain a true recovery. As the Recovery Act shifted from rescue to rebuilding, the nature of spending changed too. Now that the immediate relief has been provided, there has been a surge in project activity and tax relief.

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The job impact of Recovery Act projects already underway is in many cases just beginning to be felt. About 75 percent of recipients that reported on their Recovery Act spending indicated their projects are less than half complete - meaning there is even more job impact from those dollars to come. We remain right on-track to create and save at least 3.5 million jobs through the Recovery Act by the end of the year.

Details of the legislation

To accomplish these goals, the American Recovery and Reinvestment Act provided \$311 billion in critical investments.

(read more)

15th District ARRA Map

Below, you will find a map of all the Recovery Act projects currently in the 15th District laid out in an interactive format.

View <u>California 15th Congressional District ARRA</u> in a larger map

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